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Review of the efficiency of the administrative and financial functioning of the United Nations

Report on the activities of the Office of Internal Oversight Services

Report of the Fifth Committee

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I. Introduction

1. At its 2nd plenary meeting, on 19 September 2008, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its sixty-third session the items entitled "Review of the efficiency of the administrative and financial functioning of the United Nations" and "Report on the activities of the Office of Internal Oversight Services" and to allocate them to the Fifth Committee.

2. The Fifth Committee considered the items at its 5th, 11th and 28th meetings, on 9 and 23 October and 23 December 2008. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/63/SR.5, 11 and 28).

3. For its consideration of the item, the Fifth Committee had before it the following documents:

(a) Report of the Secretary-General on the implementation of the recommendations of the Board of Auditors contained in its report on the activities of the Procurement Task Force (A/63/167/Add.1);

(b) Report of the Secretary-General on the information-sharing practices between the United Nations and national law enforcement authorities, as well as referrals of possible criminal cases related to United Nations staff, United Nations officials and experts on mission (A/63/331);

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(c) Report of the Secretary-General on the information requested in paragraph 17 of General Assembly resolution 62/247 (A/63/369);

(d) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/63/492);

(e) Report of the Office of Internal Oversight Services on the activities of the Office for the period from 1 July 2007 to 30 June 2008 and the note by the Secretary-General transmitting his comments thereon (A/63/302 (Part I) and Add.1 and 2;

(f) Report of the Office of Internal Oversight Services on the activities of the Procurement Task Force for the period 1 July 2007 to 31 July 2008 and the note by the Secretary-General transmitting his comments thereon (A/63/329 and Add.1);

(g) Report of the Independent Audit Advisory Committee on the activities of the Independent Audit Advisory Committee for the period from 1 January to 31 July 2008 (A/63/328), sect. III.A-C;

(h) Note by the Secretary-General transmitting the report of the Board of Auditors on the activities of the Procurement Task Force (A/63/167);

(i) Related report of the Advisory Committee on Administrative and Budgetary Questions (A/63/490).

II. Consideration of draft resolution A/C.5/63/L.28

4. At its 28th meeting, on 23 December, the Committee had before it a draft resolution entitled "Report of the Office of Internal Oversight Services on its activities" (A/C.5/63/L.28), submitted by the Chairman of the Committee on the basis of informal consultations coordinated by the representative of Austria.

5. At the same meeting, the Committee adopted draft resolution A/C.5/63/L.28 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Report of the Office of Internal Oversight Services on its activities

I

Activities of the Office of Internal Oversight Services

Recalling its resolutions 48/218 B of 29 July 1994, 54/244 of 23 December 1999, 59/272 of 23 December 2004 and 60/259 of 8 May 2006,

Having considered the report of the Office of Internal Oversight Services on its activities[1] and the related note by the Secretary-General,[2] as well as the related section of the annual report of the Independent Audit Advisory Committee,[3]

1. *Reaffirms* its primary role in the consideration of and action taken on reports submitted to it;

2. *Also reaffirms* its oversight role and the role of the Fifth Committee in administrative and budgetary matters;

3. *Further reaffirms* the independence and the separate and distinct roles of the internal and external oversight mechanisms;

4. *Notes with appreciation* the work of the Independent Audit Advisory Committee;

5. *Recalls* its resolution 61/275 of 29 June 2007, in which it approved the terms of reference of the Independent Audit Advisory Committee;

6. *Takes note* of the report of the Office of Internal Oversight Services on its activities[1] and the related note by the Secretary-General;[2]

7. *Stresses* the importance of full implementation of accepted recommendations of the Office of Internal Oversight Services, and requests the Secretary-General to ensure that complete information is provided on the implementation of those recommendations and, where applicable, in cases where full implementation has not been achieved, detailed reasons therefor;

8. *Requests* the Secretary-General to ensure that all relevant resolutions, such as resolutions on peacekeeping operations relating to cross-cutting issues, are brought to the attention of relevant managers, and that the Office of Internal Oversight Services also take those resolutions into account in the conduct of its activities;

9. *Also requests*, in this regard, the Secretary-General to ensure that all relevant resolutions pertaining to the work of the Office of Internal Oversight Services are brought to the attention of the relevant managers;

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[1] A/63/302 (Part I) and Add.1.
[2] A/63/302 (Part I)/Add.2.
[3] A/63/328, sect. III.A-C.

10. *Takes note* of the recommendations contained in the related section of the annual report of the Independent Audit Advisory Committee in respect of the Office of Internal Oversight Services,[3] and requests the Secretary-General to ensure the full implementation of those recommendations, taking into account the provisions of its resolutions 48/218 B, 54/244 and 59/272;

11. *Encourages* the Organization's internal and external oversight bodies to enhance the level of their cooperation with one another, such as joint work-planning sessions, without prejudice to the independence of each;

12. *Notes* paragraph 17 of the report of the Independent Audit Advisory Committee, and recalls that one of the responsibilities of the Independent Audit Advisory Committee, according to its terms of reference, is to advise the General Assembly on the effectiveness, efficiency and impact of the audit activities and other oversight functions of the Office of Internal Oversight Services;

13. *Also notes* that the five-year non-renewable term of the Under-Secretary-General for Internal Oversight Services will expire in July 2010, and in this respect urges the Secretary-General to ensure that timely arrangements are made to find a successor in full conformity with the provisions contained in paragraph 5 (b) of its resolution 48/218 B;

II
Investigations and the Procurement Task Force of the Office of Internal Oversight Services

Recalling its resolutions 48/218 B of 29 July 1994, 54/244 of 23 December 1999, 57/282, section IV, of 20 December 2002, 59/272 of 23 December 2004, 59/287 of 13 April 2005, 61/245 of 22 December 2006, 61/275 and 61/279 of 29 June 2007, 62/234 of 22 December 2007 and 62/247 of 3 April 2008,

Having considered the reports of the Secretary-General on the information requested in paragraph 17 of its resolution 62/247[4] and on the information-sharing practices between the United Nations and national law enforcement authorities, as well as referrals of possible criminal cases related to United Nations staff, United Nations officials and experts on mission,[5] and the report of the Office of Internal Oversight Services on the activities of the Procurement Task Force for the period from 1 July 2007 to 31 July 2008[6] and the report of the Board of Auditors on the activities of the Procurement Task Force,[7] the related notes by the Secretary-General transmitting his comments thereon[8] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[9]

1. *Takes note* of the report of the Secretary-General on the information requested in paragraph 17 of General Assembly resolution 62/247;[4]

2. *Also takes note* of the report of the Secretary-General on the information-sharing practices between the United Nations and national law enforcement

[4] A/63/369.
[5] A/63/331.
[6] A/63/329.
[7] See A/63/167.
[8] A/63/329/Add.1 and A/63/167/Add.1.
[9] A/63/492 and A/63/490.

authorities, as well as referrals of possible criminal cases related to United Nations staff, United Nations officials and experts on mission;[5]

3. *Further takes note* of the report of the Office of Internal Oversight Services on the activities of the Procurement Task Force for the period from 1 July 2007 to 31 July 2008,[6] and the report of the Board of Auditors on the activities of the Procurement Task Force[7] and the related notes by the Secretary-General transmitting his comments thereon;[8]

4. *Endorses* the conclusions and recommendations contained in the reports of the Advisory Committee on Administrative and Budgetary Questions,[9] subject to provisions contained in the present resolution;

5. *Takes note* of the work of the Procurement Task Force;

6. *Emphasizes* its commitment to preventing and deterring fraud and malfeasance within the Organization, and recognizes that such efforts cannot be sustained in the long term by an ad hoc body;

7. *Recalls* the ad hoc nature of the Procurement Task Force;

8. *Notes* the intention of the Secretary-General to transfer the remaining caseload of the Procurement Task Force of the Office of Internal Oversight Services to the Investigations Division of that Office at the beginning of 2009;

9. *Requests* the Secretary-General to ensure that the Office of Internal Oversight Services has the expertise and capacity within its approved structure to effectively investigate allegations of fraud, corruption and misconduct in procurement;

10. *Takes note* of paragraph 12 of the report of the Advisory Committee on Administrative and Budgetary Questions[10] with regard to the specific element of human resources;

11. *Emphasizes* Article 101 of the Charter of the United Nations, reiterates section II of its resolution 61/244 of 22 December 2006, and requests the Secretary-General to ensure the full implementation of the relevant provisions of the Staff Regulations and Rules of the United Nations governing the recruitment of United Nations staff;

12. *Reiterates* that deliberate management decisions to keep a certain number of posts vacant should not be taken, as such action makes the budget process less transparent and the management of human and financial resources less efficient;

13. *Expresses concern* over a number of vacancies in the Investigations Division of the Office of Internal Oversight Services since the beginning of 2008, and requests the Secretary-General to make every effort to fill those vacancies as a matter of priority, in accordance with the existing relevant provisions governing recruitment in the United Nations;

14. *Stresses* that any changes involving administrative and financial implications shall be subject to the review and approval of the General Assembly in

[10] A/63/490.

accordance with established procedures, including regulation 2.9 of the Financial Regulations and Rules of the United Nations;[11]

15. *Recognizes* that investigations of fraud, corruption and misconduct in procurement are often time-sensitive;

16. *Recalls* paragraph 18 of its resolution 62/247, in which it requested the Secretary-General to prepare for its consideration and approval, in close cooperation with the Office of Internal Oversight Services, a report providing detailed information on terms of reference with regard to the proposed comprehensive review of investigations in the United Nations before the General Assembly decides on the necessity of such a review, taking into account the role and mandate of the Office of Internal Oversight Services as established in its resolution 48/218 B, the framework for investigation adopted in section IV of its resolution 57/282 and in its resolution 59/287, the reform of the system of administration of justice, the decisions of the Assembly to strengthen the investigation function of the Office of Internal Oversight Services and its decisions on the accountability framework, results-based management, enterprise risk management and the internal control framework;

17. *Stresses* that the Office of Internal Oversight Services, in the conduct of its investigations, should fully address and respect the due process rights of staff concerned;

18. *Notes* the work by the Office of Internal Oversight Services to develop a comprehensive investigation manual, revise and expand the key standard operating procedures for investigations and develop a comprehensive investigation learning programme for managers and staff on the investigative process, and stresses the importance of that work's being completed and made available to all United Nations personnel as soon as possible;

19. *Requests* the Secretary-General to prepare as soon as possible standardized and consolidated rules and procedures applicable to all investigations in the United Nations other than the investigations conducted by the Office of Internal Oversight Services, and to ensure that such rules and procedures are made available to all United Nations personnel and to provide information thereon to the General Assembly at its sixty-fourth session, without prejudice to paragraph 18 of its resolution 62/247;

20. *Stresses* the importance of effective implementation, including referrals to national authorities and recovery actions where appropriate, of the accepted recommendations of the Office of Internal Oversight Services, as well as of effective coordination between that Office and other parts of the Secretariat in this regard.

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[11] ST/SGB/2003/7.